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FEDERAL COMMUNICATIONS COMMISSION  
WASHINGTON, D.C. 20554

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IN REPLY REFER TO:

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SEP 3 1992

FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF THE SECRETARY

Honorable Sam Nunn  
United States Senator  
75 Spring Street, S.W.  
Suite 1700  
Atlanta, Georgia 30303

Dear Senator Nunn:

Thank you for your letter on behalf of Harry C. Hasty, Vice President and General Manager of Wells Fargo Armored Service Corporation in Atlanta, Georgia, regarding the Commission's billed party preference proposal. Billed party preference is the term used to describe a proposal to change the way local telephone companies handle certain operator service calls.

Currently, if a caller places a "0+" operator services call (that is, the caller dials "0" and then a long-distance telephone number, without first dialing a carrier access code, such as 10-ATT), the call is carried by the operator services provider presubscribed to the telephone line from which the call originated. The presubscribed carrier for public payphones is chosen by the payphone owner or the owner of the premises on which the payphone is located. Operator service providers compete for payphone presubscription contracts by offering significant commissions to premises owners on long-distance traffic and then including those commission costs in their own rates to consumers.

In April 1992, the Commission adopted a Notice of Proposed Rulemaking to consider whether the current presubscription system should be replaced by a billed party preference methodology. Under billed party preference, all 0+ calls would be handled automatically by the carrier predesignated by the party paying for the call. For example, a credit card call would be handled by the carrier that issued the card. A collect call would be handled by the carrier presubscribed to the called line.

Because billed party preference would replace the current presubscription system for operator services calls, operator service providers would no longer be likely to pay significant commissions to premises owners for presubscription contracts. In addition, billed party preference could make operator services much more user friendly for the calling public. In particular, it would allow callers to place their operator services calls without dialing access codes, while ensuring that the party paying for each call -- as opposed to the payphone or premises owner -- would determine the operator service provider to carry it.


Honorable Sam Nunn

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Because of these and other benefits that potentially could be offered by billed party preference, the Commission tentatively concluded in its Notice of Proposed Rulemaking that billed party preference is, in concept, in the public interest. At the same time, the Commission sought detailed information and comment on a comprehensive range of issues relating to this proposal.

The Commission has thus far received extensive comment on the billed party preference proposal. Let me assure you that the Commission will carefully consider all of the ramifications of this important proposal before taking final action on it. We will incorporate your letter, including the letter from your constituent, in the record of this proceeding so that it may be accorded proper consideration by Commission staff.

Sincerely,

  
Cheryl A. Tritt  
Chief, Common Carrier Bureau

SAM NUNN, GEORGIA, CHAIRMAN

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# United States Senate

COMMITTEE ON ARMED SERVICES  
WASHINGTON, DC 20510-6050

CEB  
92-77  
2355

August 5, 1992

Ms. Linda Townsend Solheim  
Office of Legislative Affairs  
Federal Communications Commission  
1919 M Street, NW  
Washington, D.C. 20554

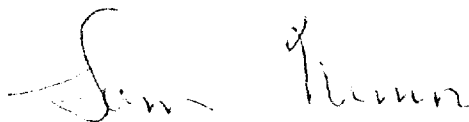
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Dear Ms. Solheim:

I recently received the enclosed constituent inquiry. Because of my desire to be responsive to all inquiries, I would appreciate your looking into this matter and providing me with any information you have available on this subject, of course, consistent with your established policies and procedures. I look forward to hearing from you in the near future.

Your kind assistance is greatly appreciated.

Sincerely,



Sam Nunn

Enclosure

SN/lkj

PLEASE REPLY TO:  
75 Spring Street, S.W.  
Suite 1700  
Atlanta, Ga. 30303  
Attn: Laura Johnson



ATV  
Wells Fargo Armored Service Corporation

888 Marietta Street, N.W., Atlanta, Georgia, 30318 24 2:03  
(404) 873-6171

Harry C. Hasty  
Vice President  
General Manager

July 21, 1992

The Honorable Alfred C. Sikes  
Chairman  
Federal Communications Commission  
1919 M Street, N.W.  
Washington, DC 20554

Re: Billed Party Preference/CC Docket No. 92-77

Dear Chairman Sikes:

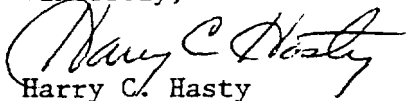
I have reviewed the contents of CC Docket No. 92-77 and find that this proposed rule would not best serve the public interest. It would, in my opinion, serve to dismantle an arrangement my company shares with Communications Central Inc. ("CCI"), a competitive payphone provider, and destroy future competition.

The payphones installed by CCI allow consumers to reach their carrier of choice simply by dialing a carrier access code, with the guarantee that access will not be blocked. Allowing the local telephone companies bottleneck control over the initiation and routing of 0+ calls will enable them to reclaim their monopoly over payphones and operator services and would burden rate payers with unnecessary costs.

We believe the current system affords our consumers access to their preferred carrier and enables our company to maintain quality payphone service to our patrons. Implementing billed party preference would severely threaten this public interest goal.

Thank you for your consideration.

Sincerely,

  
Harry C. Hasty

cc: The Honorable James H. Quello      The Honorable Sherrie Marshall  
The Honorable Ervin S. Duggin      The Honorable Andrew C. Barrett  
Mr. Gary Phillips, Common Carrier Bureau  
Ms. Lisa Roddy  
Senator Sam Nunn  
Senator Wyche Fowler  
Congressman Buddy Darden

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ATLANTA OFFICE